

Study Guide Score.32 Name _____

Deduct. Date _____ Class _____

Your Score.



CHAPTER 3

Economic Roles

STUDY GUIDE

PART I

Directions: Indicate whether each statement below is correct or incorrect by placing a check mark on the line under *true* or *false* at the right.

	TRUE	FALSE	For Scoring
1. Taking karate lessons is a consumer-role activity.	_____	_____	1. _____
2. Your role as a consumer does not affect our economy.	_____	_____	2. _____
3. In the private enterprise system, profits encourage hard work.	_____	_____	3. _____
4. Your citizenship role enables you to earn money to support your consumer role.	_____	_____	4. _____
5. Paying taxes to build roads and schools is not a part of economic citizenship.	_____	_____	5. _____
6. In your citizen role, your vote helps the government to decide what goods and services to provide.	_____	_____	6. _____
7. Voting for a school bond issue is an act of good economic citizenship.	_____	_____	7. _____
8. Your decisions in your three economic roles have no effect on your standard of living.	_____	_____	8. _____
9. As a productive worker, you benefit both yourself and the economy.	_____	_____	9. _____
10. Public goods are provided by businesses.	_____	_____	10. _____

PART II

Directions: Indicate your answer to each question below by placing a check mark on the line under *yes* or *no* at the right.

	YES	NO	For Scoring
1. Is demand defined as the amount of a good or service that consumers are willing and able to buy at a price?	_____	_____	1. _____
2. If demand is high, will prices usually come down?	_____	_____	2. _____
3. Does the economic term "supply" mean the number of items on the shelves of businesses?	_____	_____	3. _____
4. Does knowing demand for a product tell a business what product or service to supply and how much?	_____	_____	4. _____
5. Do both demand for and supply of a product affect price?	_____	_____	5. _____
6. Does competition tend to keep prices high?	_____	_____	6. _____
7. Must a supplier produce goods in an efficient way to sell them at prices consumers are willing to pay?	_____	_____	7. _____

For Scoring

8. Do things other than supply and demand affect prices? _____
9. Is a highway an example of a public good? _____
10. Is productivity the amount a worker turns out? _____

8. _____

9. _____

10. _____

PART III

Directions: The following puzzle contains twelve terms from Chapter 3. The terms can be read forward, backward, up, down, or diagonally. Find each term and circle it in the diagram.

D	E	M	A	N	D	A	N	O	R	O	B	A	L	I	N	A
O	Y	C	S	T	Z	E	C	U	O	V	A	A	C	T	G	A
L	A	G	I	R	G	C	C	T	L	S	B	I	T	N	A	O
L	G	Q	J	X	C	T	S	I	E	Z	X	A	I	R	X	V
A	N	I	K	Y	A	N	N	G	S	X	T	V	A	C	B	A
R	T	D	P	T	X	J	P	Q	Q	I	I	T	V	U	P	O
V	Z	M	D	I	H	Q	A	J	L	L	O	M	A	E	H	R
O	V	S	N	V	C	S	C	R	F	Q	B	N	X	Y	J	L
T	Y	C	T	I	G	N	K	O	T	P	O	U	S	V	L	W
E	A	C	D	T	D	E	D	R	N	F	H	N	S	J	T	M
Y	A	A	F	C	O	R	U	J	E	S	U	P	P	L	Y	C
Z	C	N	G	U	A	B	O	I	Z	D	U	Y	P	Z	Q	M
T	S	F	J	D	Q	H	G	H	I	C	E	M	W	M	X	X
P	N	G	N	O	N	R	Y	M	T	S	F	X	E	U	W	V
Q	I	A	K	R	J	W	G	P	I	L	R	E	K	R	O	W
T	T	I	Z	P	X	N	T	S	C	O	Z	R	P	K	A	O
S	D	O	O	G	C	I	L	B	U	P	G	Z	H	C	V	D

Word List

- | | | |
|-----------|--------------|--------------------|
| citizen | dollar vote | roles |
| consumer | labor | standard of living |
| decisions | productivity | supply |
| demand | public goods | worker |

ACTIVITIES**Applying Math Skills**

In Chapter 3 you learned that your earnings set a standard of living. Most of us work to buy goods and services that satisfy our needs and wants. While your standard of living also involves your values and the choices you make, the goods and services you are able to buy are usually considered to be the measure of your standard of living.

Following is a list of some typical consumer purchases and the length of time that an average U.S. manufacturing worker had to work in a recent year to buy them. After studying the data, answer the questions that follow.

SELECTED CONSUMER PURCHASES	WORK TIME REQUIRED	COST
Orange juice, 1 qt.	7 minutes	_____
Toothpaste, small tube	6 minutes	_____
Deodorant, spray can	18 minutes	_____
T-shirt, white cotton	28 minutes	_____
Jeans, 1 pair	4 hours	_____
Telephone call	20 minutes	_____
Bus fare	7 minutes	_____
Movie	40 minutes	_____
Refrigerator, small	44 hours*	_____

(*does not include overtime)

1. What purchase required the longest work time: _____
Can you purchase the item with wages from a typical work week?

2. If the small tube of toothpaste contains 75 grams, how many ounces does it contain? (See Appendix D in textbook.)

3. Based on an average take-home pay of \$7.45 per hour (that is the amount *after taxes and other deductions* are subtracted), figure the cost of each purchase and record your answer in the Cost column. To answer this question, you must determine the average take-home pay per minute for some computations. Round your answers to the nearest cent.

Applying Critical Thinking Skills

What experiences have you had recently with changing prices? What was the reason for the increase or decrease in price? Did the price change involve supply, demand, or competition?

For this activity, review your own purchasing experiences and observe newspaper ads or store signs that feature price changes. The following table provides a place for you to list five examples of goods or services for which you have noticed price changes. Identify the product or service in Column 1, show whether the price change was an increase or decrease in Column 2, and then identify in Columns 3, 4, and 5 the reason for the price change. Items are given as examples only.

0.	COLUMN 1	COLUMN 2		COLUMN 3	COLUMN 4	COLUMN 5
	Product or Service	Increase	Decrease	Supply	Demand	Competition
	Sample: corn	✓		Midwest drought		
1.	_____	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____	_____

Applying Systems Skills

Public goods, as you have learned, are provided by a community for use by citizens with no charge or a nominal charge. Most communities have a variety of public goods that serve their citizens, young and old, singles and families. For instance, parks are a public good that are enjoyed by almost everyone. If parks were only available from private enterprises that charged an admission fee, many people would have to get along without ever using a park. Make a list in Column 1 of five public goods in your community. Then in Column 2 make a brief statement about its value to your community. Examples are provided in the columns.

0.	COLUMN 1	COLUMN 2
	Public Good	Value to the Community
	Example: senior citizen center	Many seniors need a place where they can come for recreation, classes, and meals.
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____